



General Assembly

February Session, 2006

Amendment

LCO No. 3815

SB0050203815SD0

Offered by:
SEN. COLAPIETRO, 31st Dist.

To: Senate Bill No. 502

File No. 104

Cal. No. 117

**"AN ACT CONCERNING UNFAIR TRADE PRACTICES AND CASH
DISCOUNTS FOR GASOLINE."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 16a-23 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective July 1, 2006*):

5 (a) No person engaged in the business of refining petroleum into
6 gasoline and furnishing gasoline to retail distributors of gasoline for
7 sale to the public in this state shall fail to furnish gasoline to
8 independent retail distributors of gasoline in this state, whether or not
9 franchised by such person, at wholesale prices in reasonable quantities
10 as long as [he] such person continues to furnish gasoline to retail
11 distributors of gasoline in this state which are wholly owned by [him]
12 such person or operated under a franchise granted by [him] such
13 person.

14 (b) It shall constitute, prima facie, a violation of the provisions of

15 subsection (a) of this section for any such person (1) during any
16 calendar month beginning after July 1, 1973, to deliver to independent
17 retail distributors of gasoline in this state a percentage of the total
18 gallons of gasoline delivered by [him] such person to all retail
19 distributors of gasoline in this state during that month which is lower
20 than the percentage of the total gallons of gasoline delivered by [him]
21 such person to all retail distributors of gasoline in this state during the
22 period from July 1, 1971, to June 30, 1972, which was delivered by
23 [him] such person to independent retail distributors of gasoline in this
24 state during that period, or (2) to sell gasoline to independent retail
25 distributors of gasoline in this state at a price during any such month
26 which is greater than (A) the average price at which [he] such person
27 sold gasoline to such distributors during the period from July 1, 1971,
28 to June 30, 1972, increased by (B) a percentage equal to the percentage
29 by which the average price for gasoline sold during that month to
30 retail distributors of gasoline which are wholly owned by, or operated
31 under a franchise granted by [,] that person exceeds the average price
32 for gasoline sold to such distributors during the period from July 1,
33 1971, to June 30, 1972.

34 (c) No producer or refiner of petroleum products who is subject to
35 the provisions of section 14-344a and furnishes gasoline to a retail
36 distributor in this state shall use a pricing system under which the
37 wholesale price paid for such gasoline by such retail distributor is
38 determined based on the geographic location of such retail distributor
39 in any geographic zone in this state, or any other system that would
40 prevent retail distributors of gasoline from paying lower prices on an
41 equal basis with other retail distributors in this state. A producer or
42 refiner of petroleum products who is subject to the provisions of
43 section 14-344a and furnishes gasoline to a retail distributor in this
44 state shall sell such gasoline at the posted rack price of such producer
45 or refiner on the date and time of pickup for delivery of such gasoline.
46 Such producer and refiner shall not discriminate from the posted rack
47 price of such gasoline charged to retail distributors in this state, except
48 to offer discounts or rebates that may be determined by such producer

49 or refiner from time to time. Such discounts or rebates shall be
50 disclosed by the producer or refiner to the retail distributor in advance
51 and shall be offered by the producer or refiner to all of its retail
52 distributors on equal terms and conditions. When offered, all such
53 discounts or rebates and the time period they are offered shall be listed
54 as a separate line item entry on each invoice.

55 ~~[(c)]~~ (d) A violation of the provisions of subsection (a) or (c) of this
56 section constitutes an unfair trade practice [within the provisions of
57 chapter 735a] under subsection (a) of section 42-110b.

58 (e) The provisions of subsection (c) of this section shall expire two
59 years from the effective date of this section.

60 Sec. 2. (NEW) (*Effective July 1, 2006*) (a) No retailer who sells
61 gasoline intended for use in the propelling of motor vehicles using
62 combustion type engines over the highways of this state shall charge
63 consumers a price per gallon for such gasoline that is more than the
64 price per gallon that such retailer paid for such gasoline plus fifteen
65 per cent.

66 (b) Each retailer who sells gasoline intended for use in the
67 propelling of motor vehicles using combustion type engines over the
68 highways of this state shall sell such gasoline pursuant to subsection
69 (a) of this section based on the actual price such retailer paid for the
70 gasoline located in underground storage tanks located on the premises
71 of the retail gasoline station at which such gasoline is sold. Such
72 retailer shall not raise the retail price of such gasoline in anticipation of
73 market based price increases.

74 Sec. 3. (NEW) (*Effective July 1, 2006*) The Commissioner of Consumer
75 Protection shall adopt emergency regulations, in accordance with the
76 provisions of chapter 54 of the general statutes, to monitor and enforce
77 gasoline refiner, producer and retailer compliance with the provisions
78 of section 16a-23 of the general statutes, as amended by this act, and
79 section 2 of this act and to require such refiners, producers and
80 retailers to maintain and provide records for inspection by said

81 commissioner and by the Attorney General in order to verify such
82 compliance."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2006</i>	16a-23
Sec. 2	<i>July 1, 2006</i>	New section
Sec. 3	<i>July 1, 2006</i>	New section